Package Crafters may hire 30 within year Corrugated container maker opens facility

By Matt Harrington The Business Journal October 31, 2003

HIGH POINT -- A father/son partnership has purchased a building in High Point and is ready to begin production of corrugated containers with hopes of employing nearly 30 employees within 12 months

Gary Brewer and his father, Wayne, recently bought the former Ruff Hewn building at 1040 E. Springfield Road in High Point, where their new company Package Crafters Inc. will begin production by Nov. 1. The company paid about \$1.25 million for the 73,500-square-foot warehouse that sits on 8 acres, according to public records.

"We've had a number of years of experience and we wanted to try our hand at running our own company," Gary Brewer said. The duo recruited two other members to form an executive team.

All four of the managers worked together in years past at a similar corrugated-container company, which the Brewers declined to name.

Package Crafters will initially employ 10 but hopes to more than double that within its first year. It has a goal of \$3.9 million in sales in its first year of production.

Some clients are already lined up, Brewer said, and the firm will also enter into strategic alliances with supply companies that could be used as retailers to sell Package Crafters' products.

"Our sales are basically business-to-business in nature, although we do sell some directly to a consumer," Brewer said. The firm plans to launch a Web site where customers could order online.

Package Crafters will have the machinery to do custom printing, scoring, gluing and folding of the boxes it makes, and Brewer said a majority of the firm's business will be customized, although it will keep some standard box sizes on hand.

Anna Tefft, a commercial loan officer at Self-Help Ventures Fund in Greensboro, helped the father and son get a \$370,000 loan guaranteed by the U.S. Small Business Administration as well as additional financing from First National Bank in Asheboro.

"They had a very impressive business plan," she said. "It was probably one of the best we'd ever seen. They even included statistics on the failure rates of similar businesses (in that industry)," which are typically low.

"The credit community was very impressed with their business plan. A lot of banks have been shying away" from lending to startups recently, she said.

Brewer said the corrugated-box industry isn't without its problems, especially as textile, furniture and tobacco companies reduce production.

"It depends on the segments you serve," he said. Package Crafters will focus on the food, pharmaceutical and printing industries in addition to traditional manufacturers as it looks for more clients.

"Through our research, we've come up with a method of manufacturing (the boxes) that will give us a competitive advantage," Brewer said. "But ultimately, you have to do it through the service aspect."

The former Ruff Hewn building that Package Crafters will operate out of is the former home of Rives Apparel, which sold the popular Ruff Hewn brand in 1998.

The building was scheduled to be auctioned off during the spring furniture market, but there was no interest, Brewer said. Finally, the building was put up for sale. Ivan Garry of Brown Investment Properties brokered the deal for Rives, while Fred Miller, also of Brown Investment Properties, represented Package Crafters.

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